Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

941
F32
FDS
p 2

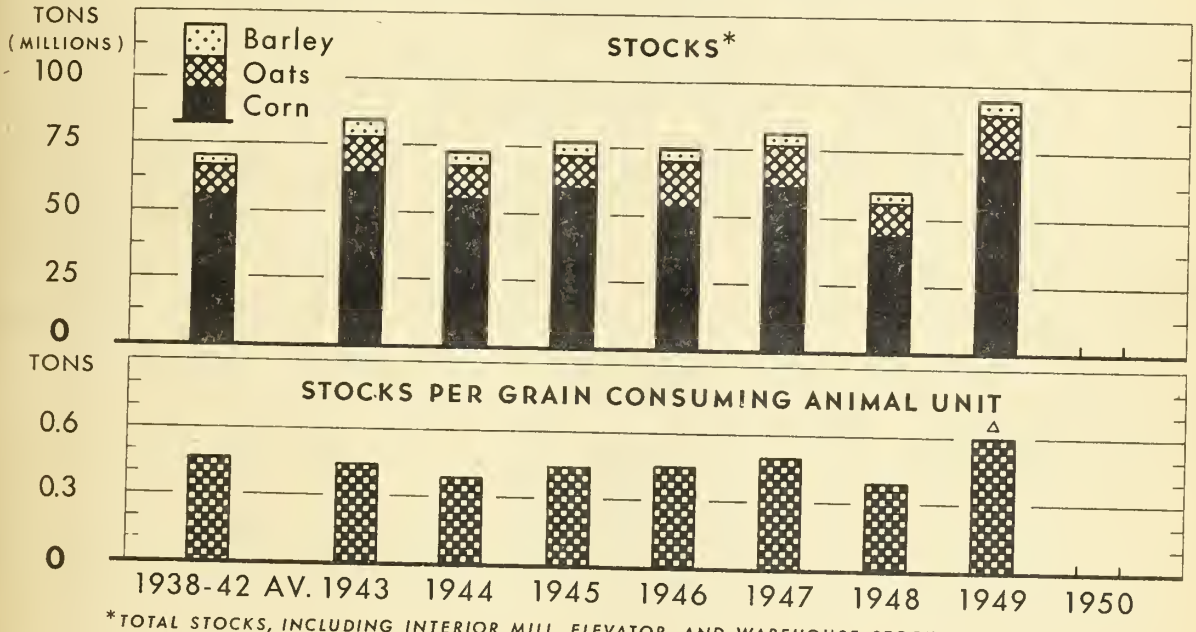
FOR RELEASE
FEB. 16, A. M.

THE Feed SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

FDS-106 BAE JAN.- FEB. 1949

CORN, OATS, AND BARLEY: JANUARY 1 STOCKS AND STOCKS PER GRAIN CONSUMING ANIMAL UNIT, 1938-42 AVERAGE, AND 1943-49



*TOTAL STOCKS, INCLUDING INTERIOR MILL, ELEVATOR, AND WAREHOUSE STOCKS, 1944 TO DATE
△ PARTLY ESTIMATED

U. S. DEPARTMENT OF AGRICULTURE NEG. 47082-X BUREAU OF AGRICULTURAL ECONOMICS

January 1 stocks of feed grains were the largest on record, both in total and per grain-consuming animal unit. Stocks of corn exceeded the previous record stocks in 1943 by more than 300 million bushels and were 1,057 million bushels above the small stocks on January 1 last year. During the remainder of the marketing year, disappearance of corn is expected to be substantially larger than a year earlier.

Table 1.- Statistical Summary

PRICES

Item	Unit	1946-47		1947-48		1948-49		
		Dec.	Jan.	Dec.	Jan.	Nov.	Dec.	Jan.
		Cents	Cents	Cents	Cents	Cents	Cents	Cents
Grains and Hay								
Corn, No. 3 Yellow, Chicago	Bushel	134.0	133.2	261.1	271.1	138.1	142.4	142.8
Price received by farmers, U. S.	"	122.0	121.0	237.0	246.0	121.0	123.0	125.0
Oats, No. 3 White, Chicago	"	82.5	83.7	127.3	140.1	87.8	86.6	81.9
No. 3 White, Minneapolis	"	80.8	79.4	124.9	136.2	81.7	80.1	76.9
Price received by farmers, U. S.	"	80.8	79.6	118.0	27.0	75.6	76.5	76.2
Barley, No. 3, Minneapolis	"	168.9	169.8	251.0	250.7	144.7	134.6	137.5
Price received by farmers, U. S.	"	136.0	136.0	200.0	206.0	115.0	113.0	115.0
Grain sorghums, price received by farmers, U.S.	100 pounds	197.0	203.0	361.0	377.0	214.0	219.0	222.0
Wheat, No. 2 Hard Winter, Kansas City	Bushel	207.2	209.0	301.1	303.2	228.2	228.7	225.0
		Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Hay, No. 1 Alfalfa, Kansas City	Ton	35.00	32.75	36.60	36.25	27.50	30.00	30.00
Price received by farmers, U. S.	"	17.70	17.50	18.10	18.70	18.40	19.10	19.80
Byproduct Feeds (bagged)								
Standard bran, Minneapolis	"	38.50	37.55	70.90	81.00	49.20	50.25	51.00
Buffalo	"	43.20	41.25	77.10	87.40	55.60	55.00	56.25
Price paid by farmers, U. S.	100 pounds	2.89	2.61	3.93	4.29	3.06	3.18	3.18
Standard middlings, Minneapolis	Ton	39.00	38.90	74.70	83.75	49.50	49.40	49.40
Buffalo	"	44.30	42.25	80.10	89.90	56.40	55.60	56.25
Price paid by farmers, U. S.	100 pounds	3.00	2.71	4.29	4.55	3.30	3.34	3.31
Cottonseed meal, 41 pct. protein, Memphis	Ton	80.30	69.40	97.15	97.60	74.20	71.10	64.40
Linseed meal, 32 pct. protein, Minneapolis	"	84.75	86.25	94.80	113.75	76.60	83.00	83.40
30 pct. protein, San Francisco	"	82.60	78.50	85.60	93.60	61.40	67.60	69.00
Soybean meal, 41 pct. protein, Chicago	"	80.70	71.90	101.50	110.25	79.25	78.00	73.45
Price paid by farmers, U. S.	100 pounds	4.94	4.67	5.44	5.82	4.38	4.64	4.48
Peanut meal, 41 pct. protein, S.E. milling points	Ton	75.30	66.90	89.50	94.95	65.10	67.40	69.25
White hominy feed, Chicago	"	50.90	49.05	96.40	99.50	54.25	50.95	50.45
Gluten feed, 23 pct. protein, Chicago	"	56.70	54.25	85.20	88.00	56.05	58.25	58.25
Tankage digester, 60 pct. protein, Chicago	"	112.10	106.75	138.00	150.10	112.45	125.20	125.50
Meat scraps, Chicago	"	98.45	88.30	124.80	135.10	104.65	110.30	111.50
Fish meal, San Francisco	"	173.55	167.50	183.60	190.95	146.65	164.15	170.00
Alfalfa meal, No. 1 fine, Kansas City	"	46.10	45.10	48.50	50.00	40.20	40.00	40.00
Mixed dairy feed, 16 pct. protein, price paid by farmers, U. S.	100 pounds	3.71	3.67	4.57	4.76	3.71	3.79	3.76
Laying mash, price paid by farmers, U. S.	"	4.48	4.34	5.53	5.74	4.55	4.62	4.59
Scratch feed, price paid by farmers, U. S.	"	3.95	3.86	5.55	5.69	4.15	4.13	4.12

INDEX NUMBERS OF PRICES

		Percent	Percent	Percent	Percent	Percent	Percent	Percent
Feed grains, price received by farmers, U.S.	1910-14=100	194	193	350	366	189	191	193
Ten principal high-protein feeds, terminal markets	1935-39=100	267	244	327	344	252	257	246
Four oilseed meals	"	268	241	321	338	250	247	230
Tankage, meat scraps, and fish meal	"	286	272	330	352	268	296	302
Gluten feed, brewers' dried grains, and distillers' dried grains	"	233	221	352	364	239	254	252
Feed, prices paid by farmers, U. S.	1910-14=100	220	212	299	314	218	223	223

LIVESTOCK-FEED PRICE RATIOS 1/

	(Jan. average)								
Hog-corn, Chicago	1928-47 = 11.9	Bushel	17.1	16.9	10.1	9.9	16.4	14.8	13.6
Hog-corn, U. S. farm price	1928-47 = 12.4	"	18.7	18.1	10.6	10.9	18.0	17.2	16.1
Beef-steer-corn, Chicago	1928-47 = 14.9	"	17.3	16.6	11.1	10.8	22.2	18.8	17.1
Butterfat-feed, U. S.	1928-47 = 25.1	Pound	30.5	27.1	21.4	20.1	22.7	23.0	23.0
Milk-feed, U. S.	1928-47 = 1.34	"	1.54	1.47	1.16	1.11	1.48	1.44	1.38
Egg-feed, U. S.	1938-47 = 13.1	"	13.3	11.9	12.0	9.6	16.2	14.6	13.0

Prices compiled from Chicago Journal of Commerce, Minneapolis Daily Market Record, Kansas City Grain Market Review, and reports of the Grain Branch, Production and Marketing Administration, and the Bureau of Agricultural Economics.

1/ Units of corn or other concentrate ration equal in value to 100 pounds of hog or beef-steer, one pound of butterfat or milk, or one dozen eggs.

THE FEED SITUATION

Approved by the Outlook and Situation Board, February 8, 1949

SUMMARY

Stocks of feed grains on January 1 were more than one-half larger than the small stocks a year earlier, and are fully adequate to meet domestic and export requirements for the remainder of the 1948-49 feeding season. January 1 stocks of corn, oats, and barley in all positions totaled 91 million tons, one-third larger than the 1938-42 average, and the largest on record for that date, both in total and in relation to the number of grain-consuming animal units to be fed during the season.

Total domestic use of feed grains during the remainder of the current feeding season (January-September) is expected to be somewhat larger than in the same period of 1948. Farmers probably will feed around 10 to 15 percent more grains and other concentrates to their livestock than a year earlier. Utilization of corn for other domestic uses is expected to be larger than in the first 9 months of 1948 and exports of corn are expected to total over 100 million bushels, in contrast with the very small export in that period last year.

Total carry-over of feed grains at the end of the 1948-49 marketing year is expected to be about the largest on record. The corn carry-over next October 1 is expected to be about as large as the record carry-over of 688 million bushels in 1940. The quantity of corn placed under loan or in Government ownership will be the largest since before the war. Through December, farmers had placed about 85 million bushels of 1948 corn under loan and 10 million bushels under purchase agreements.

The domestic disappearance of corn, oats, and barley during October-December was 5 percent larger than a year earlier. Oats and barley disappearance was considerably larger than a year ago, while domestic disappearance of corn for all purposes was only slightly larger. Domestic use of feed grains was small in relation to the very large supplies on October 1, but livestock numbers were at a relatively low level and appear to have been fed at a heavy rate per animal for the quarter.

Stocks of hay on January 1 were slightly smaller than a year ago, but were near record in relation to the reduced number of hay-consuming livestock on farms. While stocks are ample for livestock needs in most regions of the country, in some parts of the West and Midwest where 1948 production was much below average, January 1 stocks are small in relation to the local needs for the remainder of the 1948-49 season. In large areas of the West heavy snowfall and severe weather have increased requirements and made it extremely difficult to provide hay for livestock during January and early February.

In mid-January, the index of feed grain prices was 47 percent below the record level in January 1948. The average price received by farmers for corn was $1.25 per bushel, 19 cents below the national average loan rate. Feed grain prices, which in late December had reached levels well

above the seasonal low points of last summer and fall, declined during January and early February to new lows for the season. Corn prices are expected to advance somewhat in the spring and early summer months, with the loan an important price influence.

Protein feed prices have been high in relation to feed grains this winter. Prices of some of the oilseed meals have declined considerably since early December and there may be some further weakness in oilseed meal prices this spring and summer, as demand for these feeds declines seasonally. Changes in feed prices late this spring and during the summer months, however, will be influenced to a considerable extent by prospects for the 1949 crops.

OUTLOOK AND REVIEW

Large Feed Grain Supply Available for the Remainder of the 1948-49 Season

Record large stocks of feed grains on hand January 1 are fully adequate to meet domestic and export requirements for the remainder of the 1948-49 season, and to leave a near record carry-over of feed grains into 1949-50. Domestic disappearance of feed grains during October-December from the large 1948 supplies was only moderately larger than in the same quarter last year, leaving combined stocks of corn, oats, and barley in all positions on January 1 at 94 million tons, 55 percent larger than the small stocks a year ago. These were the largest January 1 stocks on record, in total and per grain-consuming animal unit.

Table 2.- Corn, oats, and barley: January 1 stocks, United States, average 1938-42, annual 1943-49

Year	January 1 stocks 1/				Grain-consuming animal units fed annually 2/	Stocks per animal unit
	Corn	Oats	Barley	Total		
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. tons	Millions	Ton
Average 1938-42	1,966	727	158	70.5	153.1	.46
1943	2,284	884	245	84.0	192.4	.44
1944	1,986	751	217	72.8	193.1	.38
1945	2,124	784	213	77.1	173.7	.44
1946	1,904	1,065	192	75.0	167.7	.45
1947	2,208	934	176	81.0	161.3	.50
1948	1,556	780	188	60.6	154.6	.39
1949	2,612	973	230	94.2	3/ 158.0	3/ .60

1/ Stocks on farms, terminal elevators, and owned by Government, 1938-43. Stocks in all positions, including interior mill, elevator, and warehouse stocks, 1944 to date.
2/ Animal units fed during the feeding season beginning the preceding October.
3/ Preliminary estimate.

Much of the increase in feed grain stocks from last year is accounted for by the sharp increase in corn stocks. Stocks of corn in all positions totaled 2,612 million bushels, 1,057 million bushels larger than the small stocks last year, and more than 300 million bushels above the previous record stocks on January 1, 1943. Stocks of corn were especially large in the Corn Belt--for the entire North Central region they were 86 percent larger than a year ago. In a number of the Western Corn Belt States, total stocks on January 1 were more than double the small stocks on that date last year. Corn stocks were much larger than the average for the past 5 years in most regions of the country.

Table 3.- Corn and oats: Stocks January 1, United States, by States and regions, average 1944-48, annual 1948 and 1949

Region and State	Corn 1/			Oats 1/			Total		
	Average 1944-48	1948	1949 2/	Average 1944-48	1948	1949 2/	Average 1944-48	1948	1949 2/
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	1,000 tons	1,000 tons	1,000 tons
N. Atl.	44,900	46,643	65,712	41,042	30,888	49,341	1,914	1,800	2,629
Ohio	110,283	94,396	158,439	27,431	17,055	35,465	3,527	2,916	5,004
Ind.	150,205	138,779	215,968	26,649	23,638	24,783	4,632	4,264	6,603
Ill.	305,022	247,800	431,802	82,094	75,855	113,764	9,854	8,152	13,911
Mich.	31,942	26,442	44,500	34,588	29,250	39,104	1,448	1,209	1,872
Wis.	41,225	38,239	47,484	85,703	83,534	89,766	2,525	2,407	2,766
E.N.Cent.	638,677	545,656	898,193	256,465	229,332	312,882	21,986	18,948	30,156
Minn.	125,966	104,744	185,662	125,104	110,699	142,526	5,529	4,704	7,479
Iowa	383,412	226,670	497,665	123,254	113,698	171,706	12,708	8,166	16,682
Mo.	98,062	67,122	155,807	28,182	23,252	32,891	3,197	2,251	4,889
N. Dak.	5,451	5,942	8,373	56,356	47,965	49,360	1,054	934	1,024
S. Dak.	66,201	43,390	89,604	69,740	63,646	76,850	2,969	2,233	3,738
Nebr.	171,318	102,997	192,928	43,464	40,088	47,573	5,492	3,525	6,163
Kans.	40,660	21,912	54,293	19,454	22,938	16,781	1,450	981	1,789
W.N. Cent.	891,070	572,777	1,184,332	465,554	422,286	537,687	32,399	22,794	41,764
Total N. Cent.	1,529,747	1,118,433	2,082,525	722,019	651,618	850,569	54,385	41,742	71,920
S. Atl.	144,553	164,382	170,112	16,130	16,291	11,489	4,306	4,864	4,947
S. Cent.	222,354	212,541	281,947	43,100	43,995	27,567	6,915	6,655	8,336
West.	13,386	13,505	12,016	40,582	37,199	34,533	1,038	973	889
Total U.S.	1,955,440	1,555,504	2,612,312	862,873	779,991	973,499	68,558	56,034	88,721

1/ Total stocks in all positions.
2/ Preliminary.

Stocks of oats on January 1 were 25 percent larger than a year earlier, and the second largest on record. Compared with a year ago stocks of oats were much larger in the North Central and North Atlantic regions, but were smaller in the West and South. Barley stocks were 23 percent larger than on January 1, 1948, and were considerably larger than in any of the past three years. Stocks of sorghum grains totaled 85 million bushels compared with only 46 million bushels on January 1, 1948.

Heavier Disappearance of Feed Grains in Prospect for 1948-49

Domestic disappearance of corn, oats, and barley during October-December, the first quarter of the current feeding season, was 5 percent larger than in that quarter of 1947, but was 6 percent below the average for 1943-47, when the number of livestock on farms was much larger.

Table 4.- Domestic disappearance of feed grains and estimated quantities of wheat and rye fed, United States, average 1943-47, annual 1946-48

Year beginning October	October-December 1/	January-March	April-June	July-September	Total October-September
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
			Corn		
Average 1943-47	1,235	784	535	378	2,932
1946	1,212	814	580	409	3,015
1947	1,111	671	427	327	2,536
1948	2/ 1,144				
			Oats		
Average 1943-47	258	361	275	445	1,339
1946	271	363	286	445	1,365
1947	241	343	244	423	1,251
1948	2/ 276				
			Barley		
Average 1943-47	71	73	57	87	288
1946	62	59	48	76	245
1947	54	71	62	66	253
1948	2/ 64				
			Wheat		
Average 1943-47	67	94	40	63	264
1946	60	3/	3/	20	150
1947	36	88	38	20	182
1948	2/ 13				
			Rye		
Average 1943-47	2	3	2	5	12
1946	1	1	4/	1	3
1947	2	1	1	1	5
1948	2/ 1				
			Total (million tons)		
Average 1943-47	42.5	32.4	22.0	21.8	118.7
1946	41.6	32.1	22.0	21.0	116.7
1947	37.4	28.7	18.5	18.1	102.7
1948	2/ 38.4				

1/ Includes all corn in silage, part of which is consumed after January 1.
2/ Preliminary.
3/ Total wheat fed during January-June estimated to be 70 million bushels.
4/ Less than 500,000 bushels.

The increase in domestic disappearance of feed grains over 1947-48 probably will be greater during the remainder of the feeding season than in the first quarter. With more liberal feeding of livestock on farms and with increased production of hogs and poultry in prospect in 1949, the quantity of feed grains fed during January-September probably will be 10 to 15 percent larger than in the same period of 1948. Furthermore, exports of feed grains, especially corn, are expected to be much larger, and more corn will be used for domestic food and industrial purposes.

During October-December disappearance of oats and barley was considerably larger than a year earlier, while domestic disappearance of corn for all purposes was only slightly larger. Disappearance of corn as grain was about the same. Grain sorghum utilization was a little smaller than a year earlier. Although domestic disappearance of feed grains was small in relation to the large October 1 supply, the livestock on farms during October-December appear to have been fed about as liberally per animal unit as in that quarter of any recent year.

During the remainder of the 1948-49 feeding season, January-September, domestic utilization of corn probably will be around one-fourth larger than the small utilization of 1,424 million bushels in the first 9 months of 1948. Exports of corn totaled only about 7 million bushels in that period last year, but are expected to be over 100 million bushels this year.

Disappearance of oats in the first half of 1949 is expected to be moderately larger than in that period of 1948. On January 1 oats stocks were nearly 200 million bushels larger than a year ago, and it is probable that about half of this difference will be used during the remainder of the oats marketing year. Barley disappearance probably will be moderately larger during the first half of 1949 than in 1948.

Even with heavy disappearance of feed grains from the record stocks on hand January 1, the carry-over into 1949-50 probably will be about the largest on record. Carry-over of corn next October 1 is expected to be somewhere near the record carry-over of 688 million bushels in 1940. The carry-over of oats July 1 may be around 100 million bushels larger than in 1948, and somewhat more barley will be carried over.

Much less wheat was fed during October-December than in that quarter of 1947, reflecting the large supplies and relatively low prices of feed grains. Wheat feeding in the first half of 1949 is expected to continue small.

Byproduct Feed Production Continues Large

Production of byproduct feeds in the first quarter of the current feeding season was a little larger than a year earlier, and probably will continue at least as large during the remainder of the season, principally as a result of increased production of oilseed cakes and meals. Although some of the increase in production of oilseed cakes and meals will be absorbed by larger exports, more will be available for livestock feeding in this country. There also will be more gluten feed and meal, but the quantity of wheat millfeeds and some other feeds may be smaller.

Table 5.- Production and stocks of specified byproduct feeds, October-December, 1946-48

Item	Oct.-Dec. 1946	Oct.-Dec. 1947	1948 Oct.	1948 Nov.	1948 Dec.	1948 Total
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Production						
Cottonseed cake and meal	636.4	839.0	318.2	322.6	301.2	942.0
Soybean cake and meal	1,003.2	991.0	326.3	1/383.0	395.2	1,104.5
Linseed cake and meal	110.4	150.8	54.5	52.7	55.9	163.1
Peanut cake and meal	29.1	24.7	6.0	13.9	11.2	31.1
Copra cake and meal	35.4	52.8	7.0	9.1	11.2	27.3
Corn gluten feed & meal	262.2	231.8	76.2	81.2	72.0	229.4
Brewers' dried grains	55.0	58.0	17.3	15.0	18.1	50.4
Distillers' dried grains	90.4	68.9	32.7	1/36.9	41.2	110.8
Wheat millfeeds	1,559.0	1,432.7	471.4	443.1	2/425.0	2/1,339.5
Rice millfeeds	71.9	84.2	30.1	25.9	21.9	77.9
Alfalfa meal	191.6	219.4	84.7	1/41.7	42.1	168.5
Fish cake and meal	48.6	43.8	16.0	10.9	13.9	40.8
Dry and powdered skim milk	.7	1.0	.5	.4	.4	1.3
Stocks end of period						
Cottonseed cake and meal	120.2	74.8	80.2	78.4	81.5	
Peanut cake and meal	10.1	4.5	1.7	3.1	3.0	
Brewers' dried grains	3.2	1.7	4.1	1.5	1.6	
Distillers' dried grains	16.0	9.0	3.9	3.8	4.2	
Alfalfa meal	83.6	94.6	213.0	180.8	159.0	

Compiled as follows: Cottonseed cake and meal and wheat millfeeds, Bureau of the Census; soybean, linseed, and copra cakes and meals, Grain Branch, Production and Marketing Administration, derived from Census crushings report; gluten feed and meal, brewers' and distillers' dried grains, rice millfeeds, and alfalfa meal, Production and Marketing Administration; fish cake and meal from Fish and Wildlife Service, Department of the Interior.

1/ Revised.
2/ Preliminary estimate.

The total supply of byproduct feeds for the 1948-49 season is expected to be near the large supplies of recent years. Supplies of byproduct feeds have increased considerably since before the war, and during the past five years the total volume of these feeds fed in this country averaged about 31 percent larger than in the prewar period 1935-39. For the current feeding season the supply is expected to total about as large as the 19.1 million tons in 1947-48.

In the first quarter of the current feeding season (October-December) the production of oilseed cake and meal totaled 2,268,000 tons, or about 10 percent larger than in that quarter of 1947. Production of oilseed cake and meal is expected to continue larger than a year earlier throughout 1948-49, and probably will total around 10 percent greater for the season. About

250,000 tons of oilseed cake and meal were allocated for export in the last quarter of 1948, but only a part of this quantity was exported, and most of the remainder was reallocated for export in the first quarter of 1949. Exports of oilseed cake and meal are expected to increase this spring and summer, when domestic requirements of oilseed cake and meal are seasonally low.

Production of wheat millfeeds was about 7 percent smaller in October-December 1948 than a year earlier, and probably will continue smaller during the remainder of the 1948-49 feeding season. Production of gluten feed and meal increased from around 60,000 tons monthly in the middle of 1948 to over 70,000 tons by the end of 1948, and probably will continue at this higher level through the remainder of the marketing year. Distillers' dried grains are currently considerably larger than a year ago, when they were restricted by Government controls because of the short corn supply at that time. Production of brewers' dried grains has been a little smaller so far during this feeding season than a year ago.

Production of alfalfa meal dropped off sharply in the first quarter of the current feeding season. Total production for the quarter was 23 percent smaller than a year earlier. Smaller output of alfalfa meal permitted a substantial reduction in the large stocks which had accumulated during the summer months.

Feed Prices Lower

During January and early February prices of feed grains and most of the byproduct feeds declined from the December level, which for many feeds was well above low points reached in the summer and fall. By early February prices of corn and many other feeds were near or below the low points reached earlier in the season. The mid-January index of prices received by farmers for feed-grains was 47 percent lower than the record level in January 1948.

The United States average price received by farmers for corn was $1.25 per bushel, 19 cents per bushel below the national average loan rate. The loan program and the larger exports will be important price factors in the first half of 1949. Some increase in corn prices from the early February level is in prospect during the spring and early summer. In the late spring and summer, prices of feed grains and other feeds will be influenced to a considerable extent by prospects for the 1949 feed crops and by the level of the loan rates on 1949 crops.

Prices of protein feeds generally have been high relative to feed grains this winter, especially so as compared with a year earlier. Prices of oilseed meals advanced considerably from the low points reached in the summer and fall of 1948 to early December. Since early in December prices of soybean meal and cottonseed meal have declined about 15 to 20 dollars per ton. Prices of oilseed meals may decline further this spring and summer, when demand for these feeds is seasonally low.

Livestock-feed price ratios have become a little less favorable to livestock producers since last October and November. The ratios, however, were much more favorable to livestock producers in January than a year ago and were generally better than average. They are expected to continue generally favorable through the first half of 1949.

The lower ratios in mid-January than earlier in the feeding season are largely the result of a drop in prices of livestock and livestock products. Prices of a number of livestock products have declined much more than seasonally from the high levels of last summer and fall. Since last August and September, hog prices have declined about one-fourth. The price of whole milk has fallen moderately since last summer and prices of processed milk products have dropped substantially, whereas milk and milk products ordinarily advance seasonally during the late summer and fall. Eggs made much less than their usual seasonal increase from August to December.

The hog-corn price ratio in January, based on average farm prices, was 16.1, or well above the 1928-47 average for January of 12.4, but it was a little lower than the high ratio of last November. If adjustment is made for the usual seasonal movements, prices of milk and butterfat were lower in relation to feed prices in January than in the summer and early fall of 1948. The drop in livestock prices in the last half of 1948 resulted in some weakening in the demand for feed. Changes in livestock prices will continue to be a factor influencing feed prices in the first half of 1949.

Large Quantity of Corn Going under Loan

The price of corn has been below the loan rate since last October. Farmers had placed about 85 million bushels under loan and 10 million bushels under purchase agreement through December, which was much greater than the entire amount placed under loan in any year since 1941. Much of the corn in some areas has been too high in moisture to place under loan and much more corn is expected to be placed under loan in the first half of 1949. The total quantity of 1948 corn placed under loan is expected to be the largest on record. This marketing year, farmers began placing corn under loan earlier than other years, since loans were available as soon as the crop was harvested. In most other years loan programs have started on December 1. Farmers will have until June 30 to place their 1948 corn under loan.

Loans were available on oats and barley through December and are available on grain sorghums through February. Summarization of these programs through December from the State offices shows that record large quantities of each of the three grains have been placed under loan. About 12 percent of the January 1 barley stocks and 22 percent of the grain sorghum stocks were under loan, but only about 1.5 percent of the oats stocks.

Table 6.- Feed grains: Quantities placed under loan, United States, 1948 with comparisons

Grain	1940	1941	1942	1943	1944	1945	1946	1947	1948 through Dec. 1/	
									Loans	Purchase agreements
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Corn	103.1	110.9	56.4	7.9	20.6	3.0	26.0	1.1	84.9	10.1
Oats	2/	2/	2/	2/	2/	2.9	.8	.2	3/14.2	3/ 8.4
Barley	7.5	16.3	15.2	.8	3.3	1.0	.5	.3	3/28.6	3/17.3
Sorghum grain	.1	.3	.1	4/	8.2	4/	.6	.1	18.7	1.3

1/ Quantities authorized for loan or purchase agreements from the 1948 crops through December. 2/ Loan program for oats started in 1945. 3/ Preliminary total for 1948 crops. 4/ Less than 50,000 bushels.

Hay Stocks and Utilization Smaller Than a Year Ago

Stocks of hay remaining on farms on January 1 totaled 67.5 million tons, or about 3 percent smaller than on that date last year and the smallest in recent years. In relation to the smaller number of hay-consuming livestock on farms, hay stocks were about the same as the record stocks per animal last year, but distribution of stocks this year is much less uniform than a year ago.

Table 7.- Hay: Supply, May-December disappearance, and stocks January 1, average 1940-44, annual 1945-48

Year	Hay supply May 1 1/	May-December disappearance	Stocks on farms January 1 following	Roughage-consuming animal units 2/ fed annually	May-December disappearance per animal unit	January 1 stocks per animal unit
	1,000 tons	1,000 tons	1,000 tons	Thousand	Ton	Ton
Average 1940-44	115,183	44,978	70,205	76,777	.59	.91
1945	124,431	50,239	74,192	75,342	.67	.98
1946	121,346	51,671	69,675	72,839	.71	.96
1947	118,739	48,962	69,777	70,198	.70	.99
1948	114,974	47,506	67,468	3/68,000	3/.70	3/.99

1/ Production plus farm stocks on May 1. 2/ Weights for roughage-consuming animal units fed annually shown in table 2, May 1948, Feed Situation. 3/ Prelimina estimate.

The total disappearance of 47.5 million tons of hay during May-December 1948 also was a little smaller than last year, but for the country as a whole it was near record in relation to the smaller number of livestock on farms and was considerably above the 1940-44 average.

While stocks of hay for the country as a whole were large in relation to the number of livestock on farms, the distribution of supplies was not nearly so uniform as a year ago. In a number of Midwestern States where the 1948 hay crop was well below average, supplies of hay have been short and stocks on January 1 were considerably smaller than a year ago and also much below average. Total farm stocks on January 1 in the 5 Midwestern States, Indiana, Illinois, Wisconsin, Minnesota, and Iowa, were 16 percent smaller than a year ago and 23 percent below the 1942-46 average. Feeding of locally produced hay has been smaller in these States than in other recent years, and smaller stocks on January 1 will make it necessary for farmers to continue to feed less hay during the first half of 1949.

Severe weather this winter and very heavy snowfall have increased hay requirements and greatly interfered with movement of hay over a large area of the West, including many of the Western and Great Plains States. In most of this area, except in sections of Wyoming, Arizona, and Utah, hay stocks are about average and are sufficient for the livestock on farms. But because of the difficulty of moving hay from surplus to deficit areas and in getting hay to livestock, there has been serious difficulty in providing hay and other feeds for the livestock in the area. Unusually heavy snow in the Midwest also has interfered with the movement of hay from surplus to deficit areas, although the situation in this region is much less acute.

In most other regions of the country hay supplies are ample for the fewer livestock on farms. They are especially large in many of the Eastern States and in the Western Corn Belt.

Table 10. - Feed grains: Receipts at primary markets, January, average 1943-47 and 1948, and October 1948 - January 1949.

Item	January		1948-49			
	Average 1943-47	1948	Oct.	Nov.	Dec.	Jan.
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Corn, 12 markets 1/	41,663	25,223	26,498	62,961	45,276	38,281
Oats, 12 markets 1/	11,408	11,062	9,706	8,841	9,335	9,321
Barley, 4 markets 2/	8,045	8,679	12,569	10,617	11,508	3/7,600

Compiled from reports of the Grain Branch, Production and Marketing Administration.

1/ Chicago, Milwaukee, Minneapolis, Duluth, St. Louis, Kansas City, Peoria, Omaha, Indianapolis, Sioux City, St. Joseph, and Wichita.

2/ Minneapolis, Milwaukee, Chicago, and Duluth.

3/ Preliminary estimate.

Table 8 .-Corn, oats, and barley: Stocks by quarters, United States, 1946-49 1/

Year	January 1 1,000 bushels	April 1 1,000 bushels	July 1 1,000 bushels	October 1 1,000 bushels
		Corn		
1946	1,904,096	1,091,126	532,157	172,926
1947	2,208,291	1,358,098	717,009	285,594
1948	1,555,504	882,471	454,281	125,386
1949	2,612,312			
		Oats		
1946	1,065,075	625,575	291,712	1,213,516
1947	934,432	567,570	276,312	1,026,528
1948	779,991	431,377	183,680	1,250,519
1949	973,499			
		Barley		
1946	192,006	111,301	58,570	235,389
1947	175,691	111,134	55,570	246,783
1948	187,843	114,957	51,591	296,143
1949	230,134			

1/ Stocks in all positions, including stocks on farms, at terminal markets, and at interior mills, elevators, and warehouses.

Table 9 .- Corn, oats, and barley: Distribution of January 1 stocks, United States, average 1944-48, annual 1947, 1948, and 1949

Year	Farm	Terminal markets	Government owned 1/	Interior mills, elevators, and warehouses	Total
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
			Corn		
Average 1944-48	1,900,346	15,047	248	39,792	1,955,433
1947	2,136,640	27,870	---	43,781	2,208,291
1948	1,506,283	13,218	---	36,003	1,555,504
1949	2,519,569	50,330	---	42,413	2,612,312
			Oats		
Average 1944-48	807,905	20,153	---	34,804	862,862
1947	892,282	9,158	---	32,992	934,432
1948	733,303	14,037	---	32,651	779,991
1949	927,488	11,434	---	34,577	973,499
			Barley		
Average 1944-48	128,100	23,900	---	45,108	197,108
1947	110,000	20,985	---	44,706	175,691
1948	117,300	26,581	---	43,962	187,843
1949	156,600	16,457	---	57,077	230,134

1/ In steel and wooden bins.

U. S. Department of Agriculture
Washington 25, D. C.

OFFICIAL BUSINESS

BAE-FdS-106-1-2/49-3800
Permit No. 1001

Penalty for private use to avoid
payment of postage $300

CURRENT SERIAL RECORD
FEB 18 1949
U. S. DEPARTMENT OF AGRICULTURE